

CITY OF MUSKEGON

CITY COMMISSION MEETING

OCTOBER 23, 2007

CITY COMMISSION CHAMBERS @ 5:30 P.M.

MINUTES

The Regular Commission Meeting of the City of Muskegon was held at City Hall, 933 Terrace Street, Muskegon, Michigan at 5:30 p.m., Tuesday, October 23, 2007.

Mayor Warmington opened the meeting with a prayer from Pastor Penny Johnson from Oak Crest Church of God after which the Commission and public recited the Pledge of Allegiance to the Flag.

ROLL CALL FOR THE REGULAR COMMISSION MEETING:

Present: Mayor Stephen Warmington, Vice Mayor Stephen Gawron, Commissioners Clara Shepherd, Lawrence Spataro, Sue Wierengo, Steven Wisneski, and Chris Carter, City Manager Bryon Mazade, City Attorney John Schrier, and City Clerk Ann Marie Becker

2007-88 HONORS AND AWARDS:

A. Employee Service Awards. CIVIL SERVICE

Civil Service Commission Chairperson, David-George Newsome, presented the Service Awards to the City employees thanking them for their years of service.

2007-89 CONSENT AGENDA:

A. Approval of Minutes. CITY CLERK

SUMMARY OF REQUEST: To approve minutes for the October 8th Commission Worksession, and the October 9th Regular Commission Meeting.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the minutes.

B. Rescind the Vacation of the Undeveloped Portion of Frisbie Street. PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: Rescind the vacation of the undeveloped portion of Frisbie Street south of Palmer and west of McGraft Church.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Staff recommends that the City Commission rescind

the vacation of the undeveloped portion of Frisbie Street south of Palmer and west of McGraft Church.

COMMITTEE RECOMMENDATION: The Planning Commission unanimously recommended rescinding the vacation at their October 16, 2007, meeting with B. Mazade and B. Smith absent.

C. Vacation of a Portion of Frisbie Street. PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: Request for the vacation of the east 33 ft. of the unimproved Frisbie Street, located between Block 531 and 532, City of Muskegon Revised Plat of 1903.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Staff recommends vacation of the east 33 ft. of Frisbie Street as described in the resolution.

COMMITTEE RECOMMENDATION: The Planning Commission unanimously recommended the vacation with J. Aslakson, T. Harryman, and T. Michalski absent.

D. Liquor License Transfer Request for Captain Jack's, LLC, 1601 Beach. CITY CLERK

SUMMARY OF REQUEST: The Liquor Control Commission is seeking local recommendation on a request from Captain Jack's, LLC to transfer ownership of the 2007 Class C-SDM licensed business with Dance-Entertainment Permit, Outdoor Service (2 Areas), Drive-Up Window (without alcoholic beverage sales) and 2 Bars located at 1601 Beach Street, Pavilion Building, from BLMC Enterprises, Inc.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the request.

F. Liquor License Transfer Request for AGZ, Inc., 313 W. Laketon. CITY CLERK

SUMMARY OF REQUEST: The Liquor Control Commission is seeking local recommendation on a request from AGZ, Inc. to transfer ownership of the 2007 Class C-SDM licensed business with Dance-Entertainment Permit located at 313 W. Laketon Avenue from The Castle Inn, Inc. (Time Out Lounge).

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the request.

Motion by Vice Mayor Gawron, second by Commissioner Carter to approve the Consent Agenda as read minus item E.

ROLL CALL: Ayes: Spataro, Warmington, Wierengo, Wisneski, Carter, Gawron, and Shepherd

Nays: None

MOTION PASSES

2007-90 ITEM REMOVED FROM THE CONSENT AGENDA:

E. Liquor License Transfer Request for Amigos, Inc., 1848 E. Sherman. CITY CLERK

SUMMARY OF REQUEST: The Liquor Control Commission is seeking local recommendation on a request from Amigos, Inc. to transfer ownership of the 2007 Class C-SDM licensed business located in escrow at 1934 Peck, Muskegon, from Sherm's Saloon, Inc. and transfer location to 1848 E. Sherman, Suite M.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval contingent upon payment of personal property taxes.

Motion by Commissioner Carter, second by Commissioner Wisneski to approve the liquor license transfer request for Amigos, Inc., at 1848 E. Sherman.

ROLL VOTE: Ayes: Warmington, Wierengo, Wisneski, Carter, Gawron, Shepherd, and Spataro

Nays: None

MOTION PASSES

2007-91 NEW BUSINESS:

A. MERS Health Care Savings Program Enabling Resolution. FINANCE

SUMMARY OF REQUEST: The resolution authorizes the city to participate in the MERS Health Care Savings Program (HCSP). HCSP is a program that allows employees to set aside funds in a tax-favored account to use for post-employment medical purposes. Funds are contributed to individual employee accounts before tax withholding and are not taxed at time of withdrawal if used for eligible medical purposes.

The city benefits from adopting HCSP in two ways.

- Wages allocated to the HCSP are exempt from FICA/Medicare taxes for both employee and employer. Thus for every \$100 in salary directed to HCSP, the city (and employee) each save \$7.65 in FICA/Medicare taxes that would otherwise be paid.
- The program establishes an efficient means for employees to fund their own retiree healthcare expenses. The city provides basic retiree healthcare coverage, but there are many areas not covered. As it is unlikely the city will be extending this coverage, the HCSP is a good tool to help employees save to meet future

healthcare needs.

At this time we are recommending that the resolution be adopted so that the program is ready for use in the future. The first actual use would likely be for non-union employees as part of the 2008 salary and benefit changes (considered by the Commission in December). Some unions have expressed interest as well and we would like to have the program available for discussion in negotiations.

FINANCIAL IMPACT: Potential FICA/Medicare savings to the City.

BUDGET ACTION REQUIRED: None. The program entails no direct costs to the City (other than minor administrative costs) but may result in significant FICA/Medicare tax savings, depending on the extent to which it is adopted by employee groups.

STAFF RECOMMENDATION: Approval.

Motion by Vice Mayor Gawron, second by Commissioner Shepherd to authorize the City to participate in the MERS Health Care Savings Program.

ROLL VOTE: Ayes: Wierengo, Wisneski, Carter, Gawron, Shepherd, Spataro, and Warmington

Nays: None

MOTION PASSES

B. Congress of Cities Voting Delegates. CITY CLERK

SUMMARY OF REQUEST: To designate one of our officials who will be in attendance at the National League of Cities Annual Business Meeting to cast the City's vote; and, if possible, to designate an alternate.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval.

Motion by Commissioner Carter, second by Commissioner Wierengo to appoint Commissioner Shepherd to be the voting delegate at the National League of Cities Annual Business Meeting.

ROLL VOTE: Ayes: Wisneski, Carter, Gawron, Shepherd, Spataro, Warmington, and Wierengo

Nays: None

MOTION PASSES

2007-92 ANY OTHER BUSINESS:

Commissioner Spataro stated that members of the Muskegon Turnback Committee expressed concerns reference the proposed speed limit on Muskegon and Webster Avenues. It was suggested that this be discussed further at a Worksession Meeting inviting the Turnback Committee, Nelson Neighborhood Association, and businesses.

Mayor Warmington attended the Muskegon County Land Bank Authority meeting and discussion was held reference 775 Washington.

City Manager Bryon Mazade stated that we are working with a potential developer for Edison Landing.

Motion by Commissioner Spataro, second by Commissioner Shepherd to authorize staff to accelerate the special assessment of Edison Landing if an agreement is not reached by October 30, 2007.

ROLL VOTE: Ayes: Gawron, Shepherd, Spataro, Warmington, Wierengo, Wisneski, and Carter

Nays: None

MOTION PASSES

PUBLIC PARTICIPATION: Various comments were heard from the public.

ADJOURNMENT: The City Commission Meeting adjourned at 6:38 p.m.

Respectfully submitted,

Ann Marie Becker, MMC
City Clerk